Amendment No. 1 to SB0358

## Johnson Signature of Sponsor

AMEND Senate Bill No. 358\*

House Bill No. 867

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, Part 10, is amended by adding the following as a new section to be appropriately designated:

- (a) A managed health insurance issuer, as defined by § 56-32-128(a), that has contracted with a physician's practice to be a part of that health insurance plan's network of providers shall not directly contact or employ an agent to directly contact a patient of the physician's practice in an effort to change a referral for services to another provider, unless the following occurs:
  - (1) The ordering physician, the nurse practitioner under the physician's supervision, the physician assistant under the physician's supervision, or a representative of one (1) of the providers is given the opportunity to indicate a particular preference as to the provider of a requested service. In the event a managed health insurance issuer or its agent contacts the patient to suggest alternative providers, the patient shall be notified that the ordering provider indicated a particular preference;
  - (2) The ordering physician, the nurse practitioner under the physician's supervision, the physician assistant under the physician's supervision, or a representative of one (1) of the providers is notified if the patient elects a provider other than that requested by the ordering provider if the ordering provider indicated a particular preference; and
  - (3) The patient is provided orally or electronically with a disclosure that the patient has a right to discuss the change of referral with the patient's ordering

## **Senate Commerce and Labor Committee 1**

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physician, the nurse practitioner under the physician's supervision, the physician assistant under the physician's supervision, or a representative of one (1) of the providers, before the appointment is changed.

- (b) Nothing in this section is intended to prohibit an insurer or the insurer's agent from contacting its enrollees in a health plan to inform the patient that a provider is not included in the patient's network and that there may be out-of-network costs incurred by using that provider.
- (c) A violation of this section shall be considered an unfair trade practice under the Tennessee Unfair Trade Practices and Unfair Claims Settlement Act of 2009, compiled in chapter 8, part 1, of this title.

SECTION 2. This act shall take effect July 1, 2015, the public welfare requiring it.